

TUESDAY, JULY 26, 2005

House Meets At...	Last Vote Predicted At...
9:00 a.m.: Morning Hour 10:00 a.m.: Legislative Business Unlimited "One Minutes"	9:30 – 10:30 p.m.

*** SEVERAL IMPORTANT BILLS AND MOTIONS ARE SCHEDULED FOR FLOOR CONSIDERATION THIS WEEK, INCLUDING THE CAFTA BILL. THE REPUBLICAN LEADERSHIP HAS INDICATED THEY WILL STAY INTO THE WEEKEND, IF NECESSARY, TO COMPLETE THAT BILL. THIS WILL BE AN EXTREMELY CLOSE VOTE, AND ATTENDANCE IS CRITICAL. PLEASE CALL THE WHIP’S OFFICE IF, FOR ANY REASON, A MEMBER ANTICIPATES NOT BEING IN ATTENDANCE.

FLOOR SCHEDULE AND BILL SUMMARY

- Suspensions (3 bills):
 - 1) **H.R. 3283** - United States Trade Rights Enforcement Act (*Rep. English - Ways & Means*)
 - 2) **S. 904** - Brian P. Parrello Post Office Building Designation Act (*Sen. Lautenberg - Government Reform*)
 - 3) **H.R. 3200** - Servicemembers' Group Life Insurance Enhancement Act of 2005 (*Rep. Miller {FL} - Veterans*)
- Motion to go to Conference on H.R. 2361 - Interior Appropriations Bill for FY06 / **Democratic Motion to Instruct.**
- Motion to go to Conference on H.R. 2985 – Legislative Branch Appropriations Bill for FY06 / **Democratic Motion to Instruct.**
- H.Res. 379 - Rule providing for consideration of H.R. 525 - Small Business Health Fairness Act of 2005 (*Rep. Bishop (UT) - Rules*).** The Rules Committee has recommended a restrictive rule that provides one hour of general debate and one motion to recommit with or without instructions. The rule also makes in order one amendment in the nature of a substitute to be offered by Reps. Kind and Andrews:

➤ **Kind/Andrews Substitute Amendment (60 minutes).** This substitute requires the Department of Labor to establish a Small Employer Health Benefits plan (SEHB) available for all firms with fewer than 100 employees, including the self employed. The substitute also permits states to establish comparable state small-employer health insurance pools. The SEHB would: operate through state licensed health insurers that comply with state mandates regarding health insurance; offer incentives and subsidies to firms with fewer than 50 employees; cap premiums paid by low-income employees; and not allow cherry picking.
- H.Res. 380 - Rule providing for consideration of H.R. 22 - Postal Accountability and Enhancement Act (*Rep. Sessions- Rules*).** The Rules Committee has recommended a restrictive rule that provides one hour of general debate and one motion to recommit with or without instructions. The rule also makes in order four amendments which are debatable for 20 minutes each:

➤ **Pence Amendment.** To strike the requirement that the first vacant slot on the Board of Governors is to be filled by an individual with unanimous backing by the labor unions.

➤ **Flake Amendment.** To establish a domestic pilot program to empower local postmasters to employ their experience and management expertise, absent the restrictions of the Postal Service's monopolies on first class mail delivery and the use of postal mailboxes, to test certain fundamental assumptions relating to the provisions of universal mail service in the United States.

➤ **Hensarling Amendment.** To require that 100% of the Civil Service Retirement System (CSRS) savings released under HR22 be directed to pay the Postal Service’s unfunded healthcare liability, instead of it going to the Postal Service for its own use. In addition, the amendment stipulates that the responsibility for paying the CSRS costs associated with military service credits will remain with the Postal Service instead of reverting back to the Treasury.

➤ **Jackson Lee Amendment.** To establish a Civil Rights and Civil Liberties Board Pilot Program within the Postal Service to monitor and enforce claims of abuse that will call for congressional review after three years.



The Daily Whip

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H.R. 525 - Small Business Health Fairness Act of 2005 (*Rep. Sam Johnson {TX} - Education & the Workforce*) (Subject to a Rule). This bill permits the establishment of "association health plans," which would allow small businesses to purchase health insurance coverage for their employees through associations of several employers. Each association health plan would decide the services included in its plan and would be exempt from most state insurance regulations. Insurance plans under these new associations would be subject to minimal regulation by the Department of Labor. This bill is identical to HR660 (adopted by the House in 2003, 262-162 with 160 Democrats voting NO), and HR4281 (adopted by the House last year 252-162 with 161 Democrats voting NO). This bill was reported out of the Education and the Workforce Committee on March 16th on a 25-22 vote with all Democrats opposed.

H.R. 22 - Postal Accountability and Enhancement Act (*Rep. McHugh - Government Reform*) (Subject to a Rule). This bipartisan bill seeks to modernize postal law and provide the Postal Service with much needed flexibility. HR22 establishes a new approach to regulate the two mail products delivered by the Postal Service: 1) letters, magazines, and advertising mail (market-dominant products) and 2) Priority Mail, Expedited Mail, and single-piece and commercial packages (competitive products); and gives the Postal Service new flexibility to offer experimental products. This bill replaces the current rate-setting system with a new system to be designed by the Postal Rate Commission --- renamed the Postal Regulatory Commission (PRC), and does not require Congress to write a specific rate formula into law. HR22 also gives the Postal Service the flexibility to set rates on competitive products -- the Postal Service cannot use revenues from market-dominant products to subsidize the delivery of competitive products; allows the Postal Service to test experimental products without having to go through any rate-setting process; and includes provisions to ensure that in areas where the Postal Service competes with the private sector, it does so fairly.

Additional highlights of this bill include: requiring that four of the members of the Board of Governors have experience running a large business or corporation; allowing the Postal Service to offer bonuses to managers and employees that exceed statutory salary limits under certain circumstances; allowing the Postal Service to generate and retain earnings; and creating an Inspector General for the Postal Regulatory Commission and elevating the Inspector General of the Postal Service to a Presidentially-appointed position. HR22 also repeals the escrow fund created in 2003 (which was created to hold Postal Service savings from its reduced contribution to the Civil Service Retirement System) and transfers responsibility for paying pension costs associated with military service from the Postal Service to the Department of Treasury. HR22 was reported out of the Government Reform Committee on April 13th on a 39-0 vote.

Postponed Suspension Votes (4 bills):

- 1) **H.R. 2977** - To designate the US Postal Service facility located at 306 2nd Avenue in Brockway, Montana, as the "Paul Kasten Post Office Building" (*Rep. Rehberg - Government Reform*)
- 2) **H.R. 2894** - To designate the US Postal Service facility located at 102 South Walters Avenue in Hodgenville, Kentucky, as the "Abraham Lincoln Birthplace Post Office Building" (*Rep. Lewis {KY} - Government Reform*)
- 3) **H.R. 3339** - To designate the US Postal Service facility located at 2061 South Park Avenue in Buffalo, N.Y., as the "James T. Molloy Post Office Building" (*Rep. Higgins - Government Reform*)
- 4) **H.Res. 308** - Supporting the goals of National Marina Day and urging marinas continue providing environmentally friendly gateways to boating (*Rep. Dicks - Transportation & Infrastructure*)

TOMORROW'S OUTLOOK

The GOP Leadership has announced the following schedule: on Wednesday, the House will meet at 10:00 a.m. for legislative business. The House will consider four bills under Suspension of the Rules and **H.R. 5 – Medical Malpractice Bill** (*Rep. Gingrey - Judiciary*) (Subject to a Rule). The House may also consider: **Motion to go to Conference on H.R. 2360 – Homeland Security Appropriations Bill for FY06 / Democratic Motion to Instruct.**

Daily Quote...

"Deficits matter. Even with slightly improved projections, the federal deficit still will total \$333 billion in the current fiscal year, the third largest on record. That figure doesn't represent the true deficit, because it doesn't include about \$170 billion in Social Security surplus that the government is 'borrowing' from the retirement program to pay for items like farm subsidies and tanks. While it's good news that this year's deficit is receding (from \$412 billion last year), the federal ledger is still way out of balance. Sustained deficits drive up interest rates, drag down job creation and weaken the dollar."

- An editorial in *The Philadelphia Inquirer* today